(iv) RBI had set up two Working Groups for (i) preparing a road map for RRBs to adopt appropriate technology and migrate to Core Banking Solutions and (ii) examining provision of financial assistance to RRBs for defraying cost in implementing information and communication technology (ICT) based solutions for financial inclusion. The implementation of Groups' recommendations is in progress.

Further, the Government of India had set up a Task Force under the chairmanship of Prof. A. Vaidyanathan in August 2004 to formulate a practical and implementable plan of action to rejuvenate short term rural co-operative credit structure comprising State Co-operative Bank at the apex (State) level, Central Co-operative Banks at the intermediate (district) level and Primary Agricultural Credit Societies (PACS) at the ground (village) level. Based on the recommendations of the Task Force and in consultation with the State Governments, the Government of India approved a Package in 2006 for revival of the short-term rural co-operative credit structure. The total financial assistance under the Revival Package has been estimated at Rs 13,596 crore to be shared by the Central Government, State Governments and Co-operative Credit Structure. As on September 30, 2009, an amount of Rs.7000.40 crore has been released by NABARD as Government of India's share for recapitalisation of 37,088 PACS in ten States, while the State Governments have released Rs.659.22 crore as their share.

Compensation paid by insurance companies

†487. SHRI PRABHAT JHA:

SHRI BALAVANT *ALIAS* BAL APTE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that due to fraud committed by customers and agents, insurance companies have to pay huge compensation;

(b) if so, the details thereof;

(c) the measures available with Government to check such frauds;

(d) the reasons for the failure of Government's measures; and

(e) the further stringent steps being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (e) The information is being collected and will be laid on the Table of the House.

Income tax raids in Gujarat

488. SHRI PARIMAL NATHWANI: Will the Minister of FINANCE be pleased to state:

(a) the number of searches and seizures conducted by Government to unearth unaccounted money in Gujarat during the last three years;

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†Original notice of the question was received in Hindi.

(b) the amount collected through these operations, separately for Personal Income Tax and Corporate Income Tax during the above years there;

(c) how these searches and seizures for both Personal Income Tax and Corporate Income Tax compare with those of Andhra Pradesh, Karnataka, Maharashtra and Tamil Nadu during the above years;

(d) whether Government has any policy or guidelines or direction so far conducting these search and seizure operations in different States; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The number of search and seizure warrants executed by the Income Tax Department in Gujarat during last three Financial Years is as under:

F.Y.	No. of warrants executed
2006-07	606
2007-08	158
2008-09	422

(b) and (c) Search and seizure action, which is conducted as per the provisions of the Income Tax Act, 1961 leads to search assessments. The search assessments involve examination of seized material and post-search enquiries. On completion of the assessment, tax demands are raised against the assesses. The tax demands are subject matter of appeal before judicial authorities such as the Income Tax Appellate Tribunal, the High Courts and Supreme Court. The assessments become final after the appeals at various stages are decided. The final tax collection figures would emerge after the above procedure.

The value of assets seized during the search and seizures conducted in Gujarat by the Income Tax Department during the last three Financial Years is as below:

F. Y.	Value of assets seized (Rs. in crores)
2006-07	32.44
2007-08	10.89
2008-09	45.45

The figures in respect of Andhra Pradesh, Karnataka, Maharashtra and Tamil Nadu with regard to value of assets seized are as follows:-

(Rs. in crores)

F. Y.	Andhra Pradesh	Karnataka	Maharashtra	Tamil Nadu
2006-07	18.9	23.67	107	27.80
2007-08	75.14	60.49	82.23	45.08
2008-09	63.95	35.84	105.43	31.09

(d) and (e) Search and Seizure actions are carried out all over the country as per the provisions of the Income Tax Act, 1961. These operations are a continuous process based on credible information regarding tax evasion.

Merger of Anyonya Bank with Saraswat Bank

489. SHRI KANJIBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether any proposal of merger of Anyonya Bank with the Saraswat Bank of Mumbai is pending with the Reserve Bank of India (RBI);

(b) if so, the status of the proposal; and

(c) the details of the safeguards being taken for protecting the interest of about thirty thousand shareholders and seventy five thousand deposits of these banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Yes, Sir. The proposal for merger of the Anyonya Co-operative Bank Ltd., Vadodara with the Saraswat Co-operative Bank Ltd., Mumbai has been received by Reserve Bank of India (RBI) and is being examined by them.

(c) The details of safeguards taken by RBI to protect the interests of shareholders and depositors are detailed as under:

(i) Directions under Section 35 A of the Banking Regulation Act, 1949 (AACS) have been imposed on the bank from the close of business on September 14, 2007 to prevent preferential payments and alienation of assets.

(ii) Each depositor in a bank is insured up to a maximum of Rs. 1,00,000 (Rupees one lakh only) by DICGC for both principal and interest held by him in the same right and capacity as on the date of liquidation, under the Deposit Insurance Scheme.

(iii) Further, Memorandum of Understanding has been entered by Reserve Bank of India with the State Government. A Task Force for Co-operative Urban Banks (TAFCUB) has been constituted in the State comprising of representatives from RBI, RCS and Urban Co-operative Bank Federations for identification and drawing up of a time bound action plan for the revival of potentially viable UCBs. The financial position of the bank is reviewed and discussed in the meetings of the TAFCUB periodically and supervisory action as recommended by it is taken.

Tax exemption for A.P. State Sports Development Fund

490. SHRI NANDI YELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Andhra Pradesh had requested the Centre for 100 per cent income tax exemption to Andhra Pradesh State Sports Development Fund; and

(b) if so, the response of the Centre in this regard?